

## **SUMMARY OF SIGNIFICANT CHANGES COMPLIANCE ASSESSMENT (CAT KIT)**

***NOTE: These documents supersede the CAT Kit dated August 31, 1999. This CAT Kit contains 38 documents (exhibits). The most significant changes in the CAT Kit are listed below:***

### ***Audit Program and Sampling Plans (Exhibits 2 through 18)***

- ***Audit steps and sampling plans have been updated to accommodate recent modifications to Customs materiality policy.***

### ***Materiality Policy (Exhibit 32)***

- ***The criteria for materiality has been revised for all trade areas in accordance with the commissioner's announcement in March of 2000.***
- ***The materiality policy has been combined with compliance risk category policy.***

### ***New Exhibits***

- ***Exhibit 30 is the "Compliance Improvement Plan (CIP) Kit." It contains instructions and a template to complete a CIP.***
- ***Exhibit 31 is "Prior Disclosures During a Compliance Assessment." It describes how prior disclosures are treated in a compliance assessment.***
- ***Exhibit 33 is "Completion Date Procedures and Line Authority for Resolving Importer Issues During a Compliance Assessment." It describes:***
  - ***Customs policy regarding completion time for compliance assessments***
  - ***Regulatory Audit's line of authority for company contacts regarding compliance assessments.***
- ***Exhibit 34 is the "Importer of Record Versus Ultimate Consignee Entries ." It describes how transactions will be treated during the compliance assessment when the auditee is the Ultimate Consignee and not the Importer of Record.***
- ***Exhibit 35 is the "Resolving "Gray Areas" of Harmonized Tariff Schedule (HTS) Classification and Classification Referral Procedures to the National Import Specialist." It describes the process for resolving whether or not certain "gray areas" of classification should be considered errors.***
- ***Exhibit 36 is the "A Guide for Supporting General System of Preferences (GSP) Claims." It provides guidance on the types of supporting records that can support GSP claims.***
- ***Exhibit 37 is the "Mutually Acceptable Timetable for Compliance Assessments." It describes the process for developing a mutually acceptable timetable for completing the compliance assessment.***
- ***Exhibit 38 is the "Treatment of Informal Entries in a Compliance Assessment." It provides guidance on removing and/or reviewing informal entries during a compliance assessment.***